Canadian MDG Report Executive Summary

Make Poverty History has prepared this report as a Canadian contribution to the global effort to develop a MDG Breakthrough Plan in advance of the United Nations MDG Summit in September 2010.

The Report concludes that Canada has made a positive contribution towards the global effort to achieve several of the Millennium Development Goals since they were adopted by world leaders at the United Nations in 2000. Canada has contributed to the eradication of hunger by increasing its food aid and directing more aid towards agricultural development and food production in poor countries (Goal 1). It has played a leadership role in promoting gender equality (Goal 3). Canada also helped to establish the Catalytic Initiative to save children’s lives (Goal 4). And Canada has been giving its fair share of funding for the Global Fund to Fight AIDS, TB and Malaria (Goal 6).

But Canada’s contribution falls short of what is needed on achieving universal primary education (Goal 2), improving maternal health (Goal 5), and ensuring environmental sustainability (Goal 7). On its contribution to global partnership for development (Goal 8), Canada also compares very poorly with other developed countries on its foreign aid spending as a percentage of its national income. It currently ranks 14th out of 23 donor countries and is stuck at less than half way to the UN 0.7% aid target. The Report warns that the announced freezing of aid at the 2010 level will worsen this situation.

A majority of low income countries in Africa and Asia are making serious efforts to achieve the Millennium Development Goals and have made poverty reduction a top priority. Although uneven, modest progress was underway until 2008 when the global food price crisis, the impacts of climate change and the global financial and economic crisis undermined their efforts. Rich countries, including Canada, have not kept their part of the bargain to increase aid and reform trade rules. G8 countries are now $18 billion behind in aid commitments.

The current financial and economic crisis threatens to not only limit future progress on achieving the MDGs, but is already reversing some of the progress that has been made. Even though developing countries did not cause the current economic crisis, they are being severely impacted as markets for their exports have weakened, remittances from citizens living abroad have decreased and investment has slowed. It is more important than ever for donor countries to keep their promises to increase aid.

The Report urges Canada to assume a leadership role in 2010 to help get the MDGs back on track to achieve the targets by 2015.

First, Canada can lead by example through delivering on its own promises to increase and deliver ODA effectively. It must not freeze aid spending at 2010 levels, but adopt a 10 year plan to achieve the 0.7% aid target that it has promised.

Second, Canada needs to fully implement the Official Development Assistance Accountability Act passed unanimously by Parliament in May 2008. Canadian aid would then be driven by poverty reduction rather than trade, investment and security concerns.

Third, Canada has an opportunity to play a key leadership role by working in partnership with other countries to ensure effective aid delivery through the implementation of the Paris Declaration and the Accra Agenda for Action.
Fourth, Canada should lead a breakthrough initiative at the G8 on Maternal, Newborn and Child Health that would help mobilize the $30 billion needed over 5 years to get back on track to achieving MDGs 4 and 5, which are the furthest behind.

Fifth, Canada should advocate for and ensure that the G20 Summit seriously considers proposals for a Financial Transaction Tax (or Robin Hood Tax) and insist that at least 50% of revenues generated from this or other similar taxes go to MDG related development and climate change adaptation and mitigation.

Sixth, Canada should do its part to stop climate change from undermining poverty reduction efforts by reducing its greenhouse gas emissions in line with the ranges identified by the Intergovernmental Panel on Climate Change (IPCC): 25-40% below 1990 levels in 2020 and 80-95% below 1990 levels in 2050.

Finally, Canada should go to the UN High Level MDG Summit in September of 2010 with the determination to do whatever is necessary to get the MDGs back on track.
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The Purpose of this Report

This report offers a Canadian perspective on the global effort to develop a MDG Breakthrough Plan in advance of the UN MDG Summit in September 2010.

It attempts to identify Canada’s contribution towards achieving the MDGs to date, noting areas where Canada has made a positive contribution as well as pointing out shortfalls and gaps. And it suggests what Canada needs to do now in order to help get progress towards achieving the MDGs by 2015 back on track.

Canada has a crucial leadership role as host of the G8 and G20 Summits in June of 2010. The two summits present a critical opportunity to inspire a redoubling of efforts required to achieve the MDGs by the 2015 target date. Canada is in an excellent position to help shape the necessary global consensus to create the momentum needed for a breakthrough on the MDGs and a successful UN MDG Summit in September, 2010.
Background on the Millennium Development Goals

At the historical 2000 UN Millennium Summit, Canada was one of 189 countries that committed to ending poverty by 2015 by signing onto the UN Millennium Declaration and agreeing to meet the "Millennium Development Goals (MDGs).

The Values and Principles section of the Declaration embraces a human rights framework:

“We recognize that, in addition to our separate responsibilities to our individual societies, we have a collective responsibility to uphold the principles of human dignity, equality and equity at the global level. As leaders we have a duty therefore to all the world’s people, especially the most vulnerable and, in particular, the children of the world, to whom the future belongs.”

The MDGs are an eight-point road map with measurable targets and clear deadlines for eradicating extreme poverty and improving the lives of the world’s poorest people. It is an agreement made by both developed and developing countries; a promise world leaders made to each other and to the world’s citizens.

While the MDGs do not address all of the structural causes of poverty and underdevelopment, such as unjust trade and investment rules, labour rights and, democratic governance, they do address some of the key causes of extreme poverty and have provided a much needed impetus to developing country governments to implement pro-poor economic and social development strategies.

It is also important to keep in mind that the MDGs is a UN consensus document. As a result, in some cases the language adopted or the goals set are not as clear or ambitious as some civil society activists would wish. Defining “extreme poverty” as living on “less than a dollar a day” has been criticized as being too low. Many groups feel “less than $2.00 a day” is a more meaningful measure. And many say the education and gender equality goals are too limited in scope by focusing only on primary education and the gender disparity in education. In practice, however, the MDGs have evolved and new emphasis has been given to employment and other aspects of gender equality in addition to school enrolment.

Global civil society groups engaged in anti-poverty campaigning have found it to be a useful tool to help get governments, both North and South to take action on poverty. But as the Global Call to Action Against Poverty (GCAP) has said, the MDGs are a minimum goal to which all governments have agreed, and that public pressure should be mobilized to make sure they “meet and exceed the MDGs.”

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The 8 Millennium Development Goals:

Goal 1: Eradicate extreme poverty and hunger.
- **Target 1:** Halve, between 1990 and 2015, the proportion of people whose income is less than $1 a day.
- **Target 2:** Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

Goal 2: Achieve universal primary education.
- **Target 3:** Ensure that by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

Goal 3: Promote gender equality and empower women.
- **Target 4:** Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015.

Goal 4: Reduce child mortality.
- **Target 5:** Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

Goal 5: Improve maternal health.
- **Target 6:** Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

Goal 6: Combat HIV/AIDS, malaria and other diseases.
- **Target 7:** Have halved by 2015 and begun to reverse the spread of HIV/AIDS.
- **Target 8:** Have halved by 2015 and begun to reverse the incidence of malaria and other major diseases.

Goal 7: Ensure environmental sustainability.
- **Target 9:** Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.
- **Target 10:** Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation.
- **Target 11:** Have achieved by 2020 a significant improvement in the lives of at least 100 million slum dwellers.

Goal 8: Develop a global partnership for development.
- **Target 12:** Develop further an open, rule-based, predictable, non-discriminatory trading and financial system (includes a commitment to good governance, development, and poverty reduction – both nationally and internationally).
- **Target 13:** Address the special needs of the Least Developed Countries (includes tariff and quota free access for Least Developed Countries’ exports, enhanced program of debt relief for heavily indebted poor countries [HIPC] and cancellation of official bilateral debt, and more generous official development assistance for countries committed to poverty reduction).
- **Target 14:** Address the special needs of landlocked developing countries and small island developing states (through the Program of Action for the Sustainable Development of Small Island Developing States and 22nd General Assembly provisions).
- **Target 15:** Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term.

Some of the indicators listed below are monitored separately for the least developed countries, Africa, landlocked countries, and small island developing states.
- **Target 16:** In cooperation with developing countries, develop and implement strategies for decent and productive work for youth.
- **Target 17:** In cooperation with Pharmaceutical companies, provide access to affordable drugs in developing countries.
- **Target 18:** In cooperation with the private sector, make available the benefits of new technologies, especially information and communications technologies.
Progress to date on the MDGs

Globally, some significant progress has been made towards achieving the MDGs. The Millennium Development Goals Report 2009 issued by the United Nations in June of 2009 highlights the following areas where most progress has been made:

- Those living in extreme poverty (on less than $1.25 a day) in the developing regions accounted for slightly more than a quarter of the developing world’s population in 2005, compared to almost half in 1990.

- Major accomplishments were also made in education. In the developing world as a whole, enrolment in primary education reached 88 per cent in 2007, up from 83 per cent in 2000. In sub-Saharan Africa and Southern Asia, enrolment increased by 15 percentage points and 11 percentage points, respectively, from 2000 to 2007.

- Deaths of children under five declined steadily worldwide — to around 9 million in 2007, down from 12.6 million in 1990.³

But this Report also warns that progress seen up until 2007 is in danger of stalling. The impact of the global food price crisis in 2007 and the global financial crisis in 2008 is reversing the gains made. The Report states that, “In 2009, an estimated 55 million to 90 million more people will be living in extreme poverty than anticipated before the crisis. Likewise, the encouraging trend in the eradication of hunger since the early 1990s was reversed in 2008, largely due to higher food prices. The prevalence of hunger in the developing regions is now on the rise, from 16 per cent in 2006 to 17 per cent in 2008.”⁴

Although there are multiple causes of the food price crisis, a key factor is the impact of climate change. Changes in growing conditions are reducing food crop yields in many regions. Ill-advised subsidies for crops used in ethanol production have increased prices of food such as corn, which in turn has affected all grains prices. While food prices have moderated somewhat from their peak in 2008, they still continue to be very high in many regions and are on the rise again. For those surviving on less than a dollar a day even moderate food price increases can be disastrous.⁵

Lower than expected aid from developed countries is compounding the problems of the food price crisis and the global financial crisis, as well as lower export earnings for developing countries. The most recent OECD report on aid shows that while overall aid increased by US$ 27 billion from 2004 to 2010, aid levels are US$ 21 billion less than donors promised in 2005 at the Gleneagles G8 Summit. ⁶

It is now clear that, without a redoubling of effort on the part of all governments, both North and South, the Millennium Development Goals will not be achieved by the target date of 2015. Renewed efforts are especially needed where the world is furthest behind: employment creation, the war on hunger, and reducing maternal mortality.

⁴ Ibid., p. 4.
Canada's MDG Commitments in Context

Over the past thirty years, Canada has made numerous commitments to support international development.

In September 1969, Lester B. Pearson, a former Canadian Prime Minister and Nobel Laureate, unveiled a report for the World Bank entitled Partners in Development. This Report recognized the great need to increase the level of aid to developing countries and recommended that resources equivalent to a minimum of 0.7% of the GNP of developed nations should flow to developing countries as official development assistance (ODA).

World leaders endorsed these recommendations the following year, when the United Nations General Assembly adopted Resolution 2626, The International Development Strategy for the Second United Nations Development Decade. Canada and other developed countries thereby agreed to increase their resource flows to developing countries to a level equivalent to 1% of their GNP; that a minimum of 0.7% of GNP would be made up of ODA; and to work towards reaching these goals by 1975.7

Canada has never delivered on this 0.7% aid target. The closest Canada has come was 0.45% in 1990, under the Mulroney Conservative government.

At the International Conference on Financing for Development, held in Monterrey, Mexico in March 2002, Canada and other developed countries affirmed the commitment to work towards the target of 0.7% of GNP as ODA to developing countries. They further agreed that between 0.15% to 0.20% of GNP of the developed countries should flow as aid to the least developed countries.8

In March 2005, Canada signed on to the Paris Declaration on Aid Effectiveness.9 This agreement committed both donor and developing countries to work together to make aid more effective and more accountable; to harmonize and align aid delivery; and to monitor and evaluate these agreed commitments on aid effectiveness. It was further agreed that developing countries exercise effective leadership over their development policies and strategies and coordinate development actions, and that donors align with partners’ strategies.10

In its April 2005 International Policy Statement, the Canadian government reiterated its long-term commitment to the target of devoting 0.7% of gross national income to ODA, and “committed at a minimum to doubling (relative to 2001) our international assistance to over $5 billion per year by 2010.”11

On June 28, 2005, the Canadian House of Commons unanimously passed a motion concurring with recommendations in the 12th Report of the Standing Committee on Foreign Affairs and International Trade which called on the government “…to honour the Millennium Development Goals and to

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7 UNICEF Canada, “0.7% Background,” May 2007.
commit immediately, through a plan, to increase Canada’s aid budget by 12 to 15% annually to achieve an aid level of 0.5% of Canada’s Gross National Product by 2010 and 0.7% of Canada’s GNP by 2015.”

In July 2005, at the Gleneagles G8 Summit, the Canadian Government pledged to double aid to sub-Saharan Africa by 2008; to boost investment in health and education; to take action to combat HIV/AIDS, malaria and other diseases; to stimulate growth, to improve the investment climate; and to make trade work for Africa.

The Accra Agenda for Action adopted in September of 2008 built on the Paris Declaration and set out a number of reforms aimed at making aid more transparent, accountable and results-oriented.

Commitments v. Reality: Canada’s actual Official Development Assistance (ODA)

Despite the recurring promises made by the Canadian government, the level of Canadian aid to developing countries has consistently fallen far short of the goal of 0.7% of our Gross National Income. After several years of slow progress toward the 0.7% aid target, most recent figures for 2009 from the Organization for Economic Cooperation and Development (OECD) show Canada’s official development assistance at only 0.30% of our Gross National Income or less than half of what we should be giving. On ODA as a percentage of GNI, Canada ranks fourteenth out of twenty-three ODA countries. Current projections indicate that Canada will rank 18th of 22 in 2010. In absolute dollar amounts, Canada gives considerably less than the Netherlands, a country with about half the population of Canada.

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Make Poverty History and Canadian civil society organizations (CSOs) have consistently called on the Canadian government to set out a 10 year plan to achieve the 0.7% UN aid goal.\textsuperscript{17}

Official Government of Canada statistics\textsuperscript{18} report that ODA for the past nine years was the following:

<table>
<thead>
<tr>
<th>Year</th>
<th>ODA:GNI (%)</th>
<th>$ US, BILLIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/01</td>
<td>0.25</td>
<td>1.7</td>
</tr>
<tr>
<td>2001/02</td>
<td>0.22</td>
<td>1.5</td>
</tr>
<tr>
<td>2002/03</td>
<td>0.28</td>
<td>2.0</td>
</tr>
<tr>
<td>2003/04</td>
<td>0.24</td>
<td>2.0</td>
</tr>
<tr>
<td>2004/05</td>
<td>0.27</td>
<td>2.6</td>
</tr>
<tr>
<td>2005/06</td>
<td>0.34</td>
<td>3.8</td>
</tr>
<tr>
<td>2006/07</td>
<td>0.29</td>
<td>3.7</td>
</tr>
<tr>
<td>2007/08</td>
<td>0.29</td>
<td>4.1</td>
</tr>
<tr>
<td>2008/09</td>
<td>0.33</td>
<td>5.1</td>
</tr>
</tbody>
</table>

Although with annual 8% increases in the ODA budget begun in 2002, Canada was moving at a snail’s pace towards the 0.7% aid target, we were at least moving in the right direction. The 2010 Federal Budget, however, announced that 2010 would be the last year of aid budget increases, and that from 2011 onwards Canada’s aid budget would be capped at the 2010 level of just over $5 billion. Because the Canadian economy will continue to grow, Canada’s aid as a percentage of the national income will begin to fall. Estimates produced by the Canadian Council for International Cooperation show Canada’s ODA to GNI falling to 0.28% by 2015.\textsuperscript{19}

While Canada’s aid spending makes up less than 2% of the Government’s total program spending, the Federal Budget states that ODA will contribute $4.5 billion (or 25%) of the $17.6 billion in the 2010 Federal Budget’s stated savings over five years. It is unfair and unjust to have the world’s poorest people bear a disproportionate burden for Canadian debt reduction.

A no-growth aid budget not only limits the amount of aid, but it also constrains the flexibility to respond to new challenges and priorities. It could require, for example, that the government cut aid spending on education, water and AIDS, in order to fund a new initiative on maternal and child health. Yet, girls’ education, access to clean water and prevention and treatment of AIDS have all been shown to be critical to improving maternal and child health.

With a built-in 8% accelerator for aid each year between 2002 and 2010, new aid priorities, for the most part, were accommodated and managed by CIDA in ways that preserved long term sustained funding for past commitments, which many have demonstrated is required for effective development. Zero aid growth potentially reduces the effectiveness of current aid programs.


Despite falling far short of meeting the 0.7% aid target, the Canadian Government claims to have met the commitment it made at the Gleneagles G8 to double aid to sub-Saharan Africa by 2010. This claim has been challenged however. The current Conservative government revised the commitment made by the previous Liberal government after the fact, using the lower base figure of the actual Canadian aid disbursed to Africa in 2004 ($1.05-billion) rather than the budgeted amount ($1.4-billion). Mr. Martin has publicly reiterated that Canada’s Gleneagles commitment was to increase Canadian aid to Africa to $2.8-billion as a minimum target, regardless of the baseline. With development assistance to Africa now at $2.1-billion, the Harper government has indeed raised our aid flows to Africa, but this is $700-million less than what Mr. Martin says was promised.  

More troubling, however, is the Harper government’s announcement in 2007 that it is dropping a number of the poorest African countries from its list of focus countries. Removed from the list of priority countries for Canadian bilateral aid are Burkina Faso, Rwanda, Niger, Benin, Malawi, Zambia, Cameroon, and Kenya. Its new list of 20 priority counties for Canadian aid would appear to be much more oriented toward trade and security interests, with Afghanistan and the Americas becoming its main priorities.

In 2008 all parties supported adoption of the “Better Aid Bill”. The Official Development Assistance Accountability Act lays out three conditions that must be satisfied for international assistance to be considered as official development assistance under the Act. These conditions are that assistance: 1) contributes to poverty reduction; 2) takes into account the perspectives of the poor; and, 3) is consistent with international human rights standards. The government was also required to report annually on its progress in implementation of the Act.

Despite having a clear legislative mandate for doing so, achieving the MDGs and directing aid to the poorest countries no longer seem to be among the principles guiding the setting of Canadian aid priorities.

**Assessing Canada’s contribution to the Millennium Development Goals**

**Goal 1: Eradicate extreme poverty and hunger.**

- **Target 1**: Halve, between 1990 and 2015, the proportion of people whose income is less than $1 a day.
- **Target 2**: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

**Overall progress to date**

Prior to the economic crisis and higher food prices, the number of people in developing regions living in extreme poverty — on less than $1.25 a day in 2005 prices — fell from 1.8 billion in 1990 to 1.4 billion in 2005. As a result, those considered extremely poor accounted for slightly more than a quarter of the developing world’s population in 2005, compared to almost half in 1990.

However, a new World Bank report, “Global Economic Prospects 2010: Crisis, Finance, and Growth,” issued in January of 2010 reports that the global economic crisis meant 64 million more people are

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now estimated to be living in extreme poverty by the end of 2010 than would have been the case without the crisis.\textsuperscript{22}

In 2009 the G8 responded to the chronic food crisis through the announcement of the L’Aquila Food Security Initiative, which included a pledge of US$22 billion over three years for agricultural development aimed at improving food security. The effort has been endorsed by 27 countries and 15 international organizations.\textsuperscript{23}

**Canada’s contribution to date**

Canada’s contribution to reducing hunger has included:

- Increasing its disbursements for food security from $418 million in 2007-2008 to $587 million in 2008-2009;
- Increasing agricultural development to $190 million in 2008-2009; and
- Increasing food assistance programming to over $230 million in 2008-2009, representing a $50 million increase over previous year.\textsuperscript{24}
- Pledging in 2009, an additional $600 Million over 3 years in support of food security as well as naming it as a priority theme.

Canada is one of the countries that supported the L’Aquila Food Security Initiative, mentioned above.

Through contributions to the World Food Programme and the Canadian Foodgrains Bank, CIDA helps deliver food aid to approximately five million individuals worldwide.\textsuperscript{25}

In April 2008, Canada untied all of its food aid. This decision demonstrated a commitment to making aid more effective. Untying food aid reduces the costs of shipping food, thus increasing the amount of funds actually spent on food.

It also assists long term development by supporting local food producers.

In September 2008, Canada also committed to untie all of its development assistance by fiscal year 2012-2013. Implementation of this commitment will also contribute to aid effectiveness and poverty reduction, though if preference is not given to procurement from developing countries and contracts are awarded to firms from other donor countries, the untying of aid will not make much difference.

**What still needs to happen overall**

We have the means to move forward and reach the targets set under Goal 1. The current economic crisis must not be used as an excuse to limit aid. It must be remembered that people living in developing countries are being hurt the most by the economic crisis, particularly due to the rising costs of fuel and food.

\textsuperscript{25} Ibid.
**Aid works.** When focused on poverty reduction, when delivered effectively and in sufficient amounts, aid raises people out of poverty and saves lives. **Developed countries must meet their commitments to deliver aid, with a primary focus on poverty reduction, and it must address the gaps between stated commitments and necessary actions to put the MDGs back on track.** Both the amount of aid and the quality of aid must be improved. Accountability measures must be developed, with specific plans of actions and timelines for implementation. Furthermore, there must be support for free public services, with the abolition of user fees for education and health services.

The commitments made in the L’Aquila Joint Statement on Global Food Security must be met. Investments decided upon in L’Aquila for rural development and the fight against hunger must be spent in an efficient, predictable and transparent manner, focusing on the needs of smallholder agricultural producers, the rights of rural women and the rural poor, and strategies for sustainable agricultural production.

**Canada’s part**

The Canadian government should be open and transparent in reporting on how it has met its commitments to date. It can demonstrate leadership by clearly reporting on its delivery of aid to date, and sharing its plan for the implementation of sufficient and effective delivery of aid through 2015.

The Canadian government should develop a clear and transparent implementation plan for the L’Aquila commitments, including an accountability report detailing progress so far, as well as areas and mechanisms for delivery. In addition, Canada should develop a clear plan to improve food and nutrition security by prioritizing investment in sustainable small scale agricultural production and rural development. These plans should embrace an integrated approach that focuses on the needs, human rights and participation of the persons receiving aid.

**Goal 2: Achieve universal primary education.**

- **Target 3:** Ensure that by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

**Overall progress to date**

Substantial progress has been made towards achieving the MDG goals for education. Over the past nine years, 40 million more children have gone to school. More girls are attending school than ever before.26

Increased enrolment, however, has in some countries led to larger class sizes and poorly trained teachers leading to a lower quality of education. And the result of the economic crisis is that children, especially girls, are dropping out of school, especially in countries where fees have to be paid to attend school. The global financial crisis threatens to deprive millions of children in the world’s poorest countries of an education. Worldwide, 72 million children are still not in school; more than half of them girls. Half of these 72 million children have never been inside a classroom. It is predicted

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that 29 million children will still be out of school in 2015.\textsuperscript{27} One in five adults cannot read or write. Ninety percent of children with disabilities do not attend school at all.

**Canada’s contribution to date**

ODA spending for basic education has increased.\textsuperscript{28} In particular, Canada has shown leadership in prioritizing primary education in its ODA to sub-Saharan Africa,\textsuperscript{29} the region with the lowest school enrolment. Savings from debt relief and increased aid for education have helped to eliminate school fees and other barriers to school enrolment in many African countries.\textsuperscript{30}

However, The Global Campaign for Education (GCE), in its 2009 school reports, assessed the performances of 22 governments towards achieving the Education for All (EFA) goals. Canada ranked 8th and received an overall grade of “C”. Although Canada has been a leader in supporting those countries most in need, we continue to punch below our weight in providing our fair share of the EFA financing gap.\textsuperscript{31}

**What still needs to happen overall**

Education is a critical factor in fighting poverty, improving health, reaching gender equality and achieving economic prosperity. More effort is needed to get all children, especially those living in rural communities, into schools. The quality of primary education also needs to be significantly improved so that children remain in school and learn the skills needed to contribute to their societies to their full potential. Inequalities in education based on gender and ethnicity, and among linguistic and religious minorities, must be eliminated. To continue the momentum that has begun towards achieving universal primary education, the international compact on Education for All needs urgent revitalization.\textsuperscript{32}

**Canada’s part**

As part of a 10 year plan to increase Canadian aid to reach the 0.7% UN aid target, Canada should build a plan for the innovative and sustainable financing of the education sector, and provide our fair share of the $16 billion annual financing gap for education. We should also support reform of the international aid architecture for education to better address:

- A focus on accountability for results, especially in the form of positive learning outcomes for all children; and
- The urgent need to provide aid to countries most in need, in particular countries affected by conflict and those currently receiving a relatively small percentage of aid to the education sector.

\textsuperscript{29} ONE, “The Data Report 2009: Monitoring the G8 Promise to Africa,” 2009.
\textsuperscript{30} Ibid.
Goal 3: Promote gender equality and empower women.

- **Target 4**: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015.

Overall progress to date

By focusing primarily on closing the gender gap in education, MDG Goal 3 misses the mark on other important factors required for women to achieve gender equality. Women’s representation in government and decision-making, legal equality in land ownership and the justice system, access to fair employment and respect for reproductive rights are also critical areas that need to be addressed, just to name a few. In practise, many governments have broadened the scope of MDG Goal 3 to include making progress on some of these measures related to gender equality, beyond just gender disparity in education.

Gender equality in primary education, has not yet been achieved. In developing regions as a whole, 95 girls were enrolled in primary school for every 100 boys in 2007, compared to 91 in 1999. The gender gap is wider in secondary education. Notable exceptions to a generally improving situation were sub-Saharan Africa, where the ratio of girls’ to boys’ enrolment in secondary education fell from 82 in 1999 to 79 in 2007, and Oceania, where the ratio fell from 89 to 87 in the same period.\(^{33}\) Girls from poor and rural households face higher barriers to education. This is especially evident with secondary education.

Canada’s contribution to date

*CIDA’s Policy on Gender Equality* (March 1999)\(^{34}\) mandates that gender equality be integrated into all CIDA policies, programs and projects. This policy document affirms that gender equality is a fundamental requirement for achieving effective development. *The Report to Parliament on the Government of Canada’s Official Development Assistance (2008-2009)*\(^{35}\) highlights several development projects where gender equality was central to the design and delivery of the project.

In February 2009, CIDA published an Executive Report of the Evaluation of CIDA’s Implementation of its Policy on Gender Equality.\(^{36}\)

A Civil Society Organization Working Group on Women’s Rights issued an assessment of CIDA’s own evaluation of its Policy on Gender Equality and concluded that while this has been an important policy direction, there has been a reduced overall commitment to gender equality despite strong rhetoric and policy guidelines.\(^{37}\)

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What still needs to happen overall

Targeted public policy initiatives are needed to overcome gender inequities. For example, building schools close to remote communities, recruiting and training local teachers, and eliminating school fees can narrow the gender gap in rural areas.

Targeted intervention is also needed to reduce the gender gap in paid employment, and access to health care and reproductive rights.

Canada’s part

Much more still needs to be done. Canada has the tools and the experience to continue making a positive contribution to gender equality and the empowerment of women through our development aid. All development programs and policies should be examined from a gender perspective to ensure that they contribute to the empowerment of women and promote gender equality. The Canadian CSO Report on Strengthening Canada’s International Leadership in the Promotion of Gender Equality includes many detailed recommendations for improving CIDA’s Gender Equality Policy.38

Goal 4: Reduce child mortality.

- **Target 5**: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

Overall progress to date

Substantial progress has been made in meeting the health related MDGs. Approximately 4 million fewer children die each year than when the MDGs were set. The child mortality rate for children under age 5 dropped from 91 per 1,000 live births in 1990 to 67 per 1,000 in 2007.39 Although the overall child mortality has declined, Africa remains seriously off track to achieve the target of reducing the under-five death rate by two-thirds by 2015.40 Furthermore, the current financial crisis and rising cost of food threatens to reverse the gains made in reducing child mortality.

Canada’s contribution to date

Canada has played a leading role in helping achieve the reduction in child mortality rates through its work in vaccination and nutrition, and in addressing communicable diseases.41

In 2007 Canada led the multilateral Catalytic Initiative to Save a Million Lives. The Catalytic Initiative brings together an international partnership with the goal of strengthening health systems to accelerate progress on the health-related Millennium Development Goals (MDGs). The initiative strengthens health systems by delivering life-saving health and nutritional services to disadvantaged children and pregnant women to dramatically reduce child and maternal mortality.

To date Canada, through CIDA, has contributed $105 million (2007-2012) to UNICEF for the initiative. Canadian funding will make basic health services more accessible to the poor and is

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expected to save 200,000 lives. In addition, Canada’s support will prevent disabilities such as mental stunting and blindness caused by malnutrition and diseases like malaria, in many more children.\textsuperscript{42}

What still needs to happen overall

Results from the Catalytic Initiative showed that the money was well invested, resulting in lower mortality rates for children under 5. This initiative and other similar programs should be continued and strengthened.

Canada’s part

Consistent with a 10 year plan to increase Canadian ODA to achieve the 0.7% aid target, Canada should deepen the commitment to the Catalytic Initiative by supporting a broader range of life-saving newborn and maternal interventions, with a focus on community managed care, including training of local health workers and supporting publicly funded health systems. Canada should bring other G8 countries on board to expand the reach of the Initiative, and should include countries with the highest rates of maternal, newborn and child mortality.

Goal 5: Improve Maternal Health.

- Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

Overall progress to date

Maternal mortality is among the health indicators where there is the greatest gap between the rich and the poor. It has been estimated that every year, 536,000 women and girls die as a result of complications during pregnancy, childbirth, or the six weeks following delivery. Almost all of these deaths (99\%) occur in developing countries. Developed regions report nine maternal deaths per 100,000 live births, compared to 450 maternal deaths in developing regions.\textsuperscript{43}

Measuring maternal mortality is a very challenging task in some countries. While until recently, available data indicated that there has been little improvement in the past 20 years, a recent study published in the Lancet, concluded that there were 342 900 maternal deaths worldwide in 2008, down from 526 300 in 1980.\textsuperscript{44} Eastern Asia, Northern Africa and South-Eastern Asia showed declines of 30\% or more between 1990 and 2005. Southern Asia reports declines of more than 20\% over the same period, yet the number of deaths remains unacceptably high. In sub-Saharan Africa, very little progress has been made; women there face the greatest lifetime risk of dying as a result of pregnancy and childbirth.\textsuperscript{45}

Young adolescents are more likely to die or experience complications during pregnancy and childbirth than adult women. Furthermore, the children of these young mothers have a higher risk of morbidity and mortality. Girls who give birth before the age of 15 are five times more likely to die in childbirth than women in their twenties. Pregnancy early in life contributes to the estimated 70,000

\textsuperscript{45} \textit{Ibid.}, p. 27.
maternal deaths among girls aged 15 to 19 every year. An infant’s risk of dying in his or her first year of life is 60% higher when the mother is under age 18 than when the mother is 18 or older.\textsuperscript{46}

The WHO estimates that unsafe abortions account for about 13% of deaths related to pregnancy.\textsuperscript{47}

Canada’s contribution to date

Canada’s contribution to the Catalytic Initiative is beginning to address the issues of newborn and maternal mortality. Canadian funding will support the following:

- Train over 40,000 front-line health workers to provide services to children and pregnant women;
- Promote culturally sensitive strategies to improve women’s access to health care;
- Deliver insecticide-treated bed nets to protect children under five and pregnant women from malaria;
- Rehydration therapy to prevent deaths from diarrhoea;
- Antibiotics to fight pneumonia;
- Drugs to prevent mother-to-child transmission of HIV/AIDS;
- Micronutrients such as vitamin A to fight malnutrition; and
- Breastfeeding education to new mothers.\textsuperscript{48}

What still needs to happen overall

In addition to the continuation and expansion of the Catalytic Initiative, a full range of sexual and reproductive health services, commodities and information are needed so that women and girls will not be subjected to enduring unsafe health conditions during pregnancy. Furthermore, the empowerment of women and girls, including equal access to education and economic opportunities, as well as equal political participation, are needed to ensure that girls and women can make and carry out informed decisions about when and if to have children.

Canada’s part – what Canada still needs to do

In January, Canada announced it will make Maternal and Child Health its signature initiative at the 2010 G8 Summit. While the move was highly praised by civil society, there has not yet been an indication of the funding commitment Canada will bring to the table. As well, the government’s plan came under considerable criticism from a number of quarters, including other G8 countries, when it was announced the Canadian initiative would exclude funding for abortions in its plan.

Canada needs to persuade its G8 partners to double total G8 bilateral aid for interventions that directly support maternal, newborn and child health. This would include a particular focus on care at the time of birth for both mother and baby, since this is the period of greatest risk, and the most neglected. Based on the most recently published figures, from 2007, total bilateral aid should increase to at least $4 billion a year from 2010 through to 2015, frontloading as much of this increase as possible. Canada’s share would be $1.4 billion over the next five years. The increased investment

\textsuperscript{46} Ibid., p. 28
\textsuperscript{48} “The Catalytic Initiative to Save a Million Lives,” CIDA Website, September 2009.
could save the lives each year of approximately 1 million additional children and between 200,000-
330,000 women.

*The Global Campaign for the Health Millennium Goals* should be tasked to create a Global Action Plan
on maternal, newborn and child health to bring coherence to the international initiatives towards the
achievement of MDGs 4 and 5, with a strong focus on achieving these goals through strengthened
and fully accessible public health systems in developing countries.

**Goal 6: Combat HIV/AIDS, malaria and other diseases.**

- **Target 7:** Have halved by 2015 and begun to reverse the spread of HIV/AIDS.
- **Target 8:** Have halved by 2015 and begun to reverse the incidence of malaria and other major
diseases.

**Overall progress to date**

Worldwide, the number of people newly infected with HIV per year peaked in 1996 and has since
dropped to 2.7 million in 2007. In 2007, an estimated 33 million people were living with HIV. More
than one third of HIV infections and 38% of AIDS deaths in 2007 occurred in Southern Africa. Sub-
Saharan Africa is home to 67% of those living with HIV; nearly 60% of these persons are women.

We have made substantial progress delivering HIV services to millions of people. New infections
among children have dropped, thanks to the scale-up of services to prevent mother-to-child
transmission. However, until recently HIV-prevention has garnered scant attention. Treatment alone
will not reverse the epidemic, and current prevention efforts have had limited success in halting HIV
transmission. Currently, for every two people who go on treatment for HIV and AIDS, five people
become infected. About 42% of people who need antiretroviral therapy do not receive it.

In 2007 the Global HIV Prevention Working Group (PWG) projected that 60 million new cases of HIV
will occur by 2015 unless comprehensive HIV prevention is sufficiently increased. Those infected will
require costly treatment, care and support.

Coverage levels for prevention services are extremely low. It is estimated that in 2005 a condom was
used in only 9% of sex acts involving a non-regular partner and prevention programs reached a mere
20% of sex workers, 9% of men who have sex with men and 8% of injecting drug users globally. Only
11% of HIV-infected pregnant women in low- and middle-income countries received antiretrovirals
to reduce the risk of mother to child transmission. Globally, less than half of all school attendees
receive school-based HIV education.

Nearly one million people died of malaria in 2006; 95% lived in sub-Saharan Africa. However, major
progress has been made in the fight against malaria, due in large part to increased funding and
focus on malaria control. It is estimated that international funding for malaria control has risen from
US$250 million in 2004 to US$700 million in 2007, and was expected to increase to US$1.1 billion in

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50 Ibid., p. 33.
52 Ibid.
53 Ibid.
Across sub-Saharan Africa, the use of insecticide treated bed nets among children increased from 2% in 2000 to 20% in 2006.55

Canada’s contribution to date

Canada has invested in fighting HIV/AIDS and other infectious diseases and building health systems in sub-Saharan Africa. Canada has made its fair share contribution to the Global Fund to Fight AIDS, TB and Malaria and has contributed to other multilateral initiatives as well. The investments of Canada and other donor countries are delivering results. The child mortality rate has declined; new HIV infections are declining and more people living with HIV are receiving treatment; rates of new cases of tuberculosis have declined; and malaria mortality has declined.56

What still needs to happen overall

To meet the goal of global universal access by 2010, available financial resources for HIV and AIDS must reach up to US$ 42.2 billion - more than quadruple the resources that were available in 2007. It is essential that the G8 reaffirm their commitment to fully meet the financial requirements of the Global Fund to Fight AIDS, Tuberculosis and Malaria.

While a lack of resources for HIV and AIDS in general is an issue, there has been debate regarding the relative allocation of HIV and AIDS funding - how much should go towards treatment and how much towards prevention. Although resource constraints make decisions about allocation inevitable, there is an emerging consensus that treatment and prevention are best viewed as complementary strategies rather than in competition with one another.

Scaling up is key to realizing the potential of prevention. The Global HIV Prevention Working Group defines scaling up HIV prevention as “ensuring that the appropriate mix of evidence-based prevention strategies achieves a sufficient level of coverage, uptake, intensity and duration to have optimal public health effect.” It is expected that scaling up combination prevention efforts would avert more than half of all new HIV infections expected to occur between 2005 and 2015, thereby disabling the epidemic and leading to a long-term decline.57

While deaths from malaria are declining, they are still unacceptably high. The efforts laid out in the 2008 Roll Back Malaria Global Action Plan58 must continue and be expanded.

Canada’s part

Canada must ramp up efforts to achieve Universal Access for HIV and AIDS prevention, treatment, care and support beyond past commitments. Canada should make a multi-year commitment to fund 5% of the resources needed to meet the demand of the Global Fund and strengthen support for country health systems, consistent with a 10 year plan to achieve the 0.7% aid target for Canadian ODA.

55 Ibid., p.36.
Canada must improve access to life saving medicines by fixing Canada’s Access to Medicines Regime. In addition, Canada should strengthen the G8 accountability mechanism on global health commitments and ensure a plan is adopted to fulfil any unfulfilled promises that were due in 2010.

**Goal 7: Ensure environmental sustainability.**

- **Target 9**: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.
- **Target 10**: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation.
- **Target 11**: Have achieved by 2020 a significant improvement in the lives of at least 100 million slum dwellers.

**Overall progress to date**

**Target 9:**

The continual rise in greenhouse gas emissions is a key indicator of the urgency of the climate change problem. In 2006, global carbon dioxide emissions reached 29 billion metric tons, an increase of 2.5 percent from the previous year. Emissions in 2006 were 31% above the 1990 level. Per capita emissions are highest in developed countries: about 12 metric tons of CO2 per person per year, compared with about 3 metric tons in the developing regions, and 0.8 metric tons in sub-Saharan Africa, the lowest regional value.\(^{59}\)

From 1986 to 2007, the 185 countries that are currently party to the Montreal Protocol\(^{60}\) have achieved a 97% reduction in the consumption of substances that deplete the Earth’s ozone layer. The Montreal Protocol Unilateral Fund has funded initiatives to promote effective protection of the ozone layer and sustainable compliance with the Protocol. The Fund also supports national capacity building and has helped transfer essential technologies that have enabled developing countries to acquire new energy-efficient technologies and export their wares to the global market.\(^{61}\)

**Target 10:**

From 1990 to 2006, 1.1 billion people in developing regions gained access to toilets, latrines and other forms of improved sanitation. An additional 1.4 billion people will require such facilities in order to meet the 2015 target.\(^{62}\) At current rates of progress, however, the sanitation target will be missed by over 700 million people, mostly in sub-Saharan Africa and southern Asia.

The good news is the world is currently on track to meet the 2015 drinking water target in most developing regions, the major exceptions to this being sub-Saharan Africa and Oceania. At present, some 884 million people continue to rely on unsafe sources of drinking water sources such as rivers, lakes and unprotected springs and wells. Rural dwellers continue to bear the brunt of poor water.

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60 An international agreement, known as the Montreal Protocol on Substances that Deplete the Ozone Layer, controls the production and consumption of substances that can cause ozone depletion.
62 Ibid., p. 45.
and sanitation conditions, but as the developing world becomes increasingly urbanized, meeting the needs of urban dwellers is a rapidly growing challenge.\textsuperscript{63}

Target 11:

Slum conditions are defined as lacking at least one of four basic amenities: clean water, improved sanitation, durable housing and adequate living space. In 1990, almost half the urban population in developing regions lived in slums. By 2005, that proportion was 36\%.\textsuperscript{64}

\textbf{Canada’s contribution to date}

Canada signed the Kyoto Protocol in 1998, and after a Parliamentary debate formally ratified it in December 2002. The Liberal government at the time agreed to reduce Canadian greenhouse gas emissions by six per cent below 1990 levels by the five-year commitment period of 2008 to 2012. The current Canadian Conservative government says that the Kyoto Protocol targets are unrealistic and unachievable and that it plans to develop a made-in-Canada solution.

In April 2007, the government of Canada unveiled its proposal to address smog and climate change. The plan included three more years of consultations with industry on climate change action and used an intensity-based approach to setting targets that ensures that global warming pollution will continue to rise. The government’s emissions target of 3\% below 1990 levels by 2020 is very far from the science-based targets for avoiding dangerous levels of climate change: at least 25\% below 1990 levels by 2020.

As of 2006, Canada’s emissions were 22 per cent above the 1990 level. Canada is one of the greatest consumers of energy per capita, burning the equivalent of roughly 7,700 litres of oil per person each year. This is roughly 50 times the consumption rate of Bangladesh, a country that stands to be largely eliminated by climate change-induced sea level rise. Canadians use more energy than all of the 760 million inhabitants of Africa. Canada makes up less than one half of one percent of the world’s population, but is the world’s eighth largest producer of carbon dioxide.\textsuperscript{65}

At the Copenhagen Climate Change Conference in December of 2009, Canada promised to contribute “new and additional resources” towards the developed country total of US$ 30 billion in short term financing for climate change adaptation and mitigation in developing countries which would be prioritized for the most vulnerable countries.

Canada has contributed to the extension of safe drinking water and sanitation by investing approximately $208 million in the areas of water supply and sanitation worldwide between 2006 and 2009. These investments have resulted in better access to clean water for hundreds of thousands of people. For example, Canadian aid has improved access to drinking water for an estimated 118,500 people in Mozambique by supporting the construction of 214 water points with hand pumps, the installation of eight solar powered pumping systems and 260 family cisterns for rainwater harvesting. In Ghana, 245,000 people now have potable water thanks to Canada’s support for the construction of 577 water points and the rehabilitation of 252 others. Yet Canada is doing less than many other donor countries in this area. And Canadian aid for water and sanitation has decreased in recent years from what it had been prior to 2005. Also, Canada has not been an active participant

\begin{thebibliography}{99}
\bibitem{63} Ibid., p. 46.
\bibitem{64} Ibid., p. 47.
\bibitem{65} David Suzuki Foundation, “Canada’s Emissions.”
\end{thebibliography}
in the global Sanitation and Water for All Initiative, attending only as an “observer” at the recent High-Level Meeting on Sanitation and Water held in Washington in April 2010, which adopted a new ‘Sanitation and Water for All’ initiative.

Canada has contributed very little to efforts to improve the lives of people living in slums. Apart from funding for reconstruction of housing following natural disasters such as in Indonesia and Sri Lanka after the Tsunami or Haiti after the recent earthquake, Canadian aid funding for housing is limited to matching grants for several non-governmental aid agencies such as Rooftops.

**What still needs to happen overall**

**Target 9:**

Managing the economic crisis can and should provide an opportunity to address climate change in a more comprehensive and efficient way by investing economic stimulus spending in green technologies. A new fair, ambitious and binding global climate agreement to replace the Kyoto Accord is urgently needed if the world is to avoid a climate disaster that would have devastating implications for the poorest peoples.

In addition to continuing the phasing out existing ozone-depleting substances, more is needed. Deforestation accounts for the loss of 13 million hectares per year (approximately equivalent to the land area of Bangladesh). Deforestation must be reduced, as this would be a key step toward lowering greenhouse gas emissions.

More efficient use of water for agriculture is needed. About 70% of the world’s water is used for agriculture; in some regions it is more than 80%. From 1990 to 2000, the volume of water withdrawn for irrigation and other agricultural purposes increased by 8%. In some regions, notably arid and semi-arid regions, the stress on water resources is most severe.\(^{66}\)

**Target 10:**

In 2006, 2.5 billion people worldwide were still without basic sanitation. The greatest need is in Southern Asia, where 580 million people are in need of improved sanitation. Sub-Saharan Africa also faces a need for improved sanitation for 63% of the population.\(^{67}\)

Much still needs to be done to provide access to safe water. Only 27% of the world’s rural population had access to water piped into their premises in 2006. Another 50% of rural dwellers had access to improved water through public taps or pumps. 24% of the rural population relied on drinking water from unimproved sources.\(^{68}\)

Canada can contribute to efforts towards achieving the water and sanitation targets in the following ways:

- CIDA should develop a Water and Sanitation Action Plan to guide how best to engage Canadian NGOs, UN agencies like UNICEF, and developing country governments to achieve CIDA’s Child and Youth Strategy vis-a-vis water and sanitation investments.

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• Increase investments in the water and sanitation sector which presently stand around 2 per cent of Canada’s aid budget. This would allow, for example, for increased support to the development and implementation of national sanitation and water plans in the most off-track countries such as Ethiopia, one of CIDA’s priority countries.

• Ensure that sanitation and water play key roles in supporting any G8/G20 initiatives and commitments related to maternal and child health and food security.

• At the global level, support the Sanitation and Water for All: A Global Framework for Action which aims to increase the effectiveness of existing water and sanitation initiatives and commitments to tackle global poverty.

Target 11:

Despite some advances, sub-Saharan Africa remains the region with the highest prevalence of slums, and the worst conditions, often involving multiple deprivations and the worst crowding. Large multi-sectoral investments are required. In all other regions, where most slum dwellers face only one shelter deprivation, simple low-cost interventions could significantly improve living conditions.69

Canada’s part

Canada has a long way to go to become a leader in environmental sustainability. However, despite our high consumption, research shows that Canadians are eager to adopt clean, renewable energy technologies. The good news is that these technologies are available now, and are becoming more affordable each year. Many Canadians also realize that cutting energy use can mean substantial savings.70 The Canadian government can show leadership by adopting more stringent greenhouse gas reduction targets and regulations concerning the environment.

Canada also has a responsibility as one of the major greenhouse gas polluters to contribute financing for climate change adaptation and mitigation in developing countries. At the Copenhagen Climate Change Conference an agreement was reached that developed countries would contribute $30 billion for short term financing of adaptation and mitigation between 2010 and 2012. Canada’s share is approximately CDN$1 billion in new and additional resources, based on an annual commitment of CDN$320-$420 million, or 3-4% of the total.71 Canada has yet to announce a specific amount that it will contribute for this purpose.

Goal 8: Develop a global partnership for development.

• **Target 12:** Develop further an open, rule-based, predictable, non-discriminatory trading and financial system (includes a commitment to good governance, development, and poverty reduction – both nationally and internationally).

• **Target 13:** Address the special needs of the Least Developed Countries (includes tariff and quota free access for Least Developed Countries’ exports, enhanced program of debt relief for heavily indebted poor countries [HIPC] and cancellation of official bilateral debt, and more generous official development assistance for countries committed to poverty reduction).

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70 David Suzuki Foundation, “Canada’s Emissions.”

• **Target 14**: Address the special needs of landlocked developing countries and small island developing states (through the Program of Action for the Sustainable Development of Small Island Developing States and 22nd General Assembly provisions).

• **Target 15**: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term.

**Overall progress to date**

Net disbursements of official development assistance (ODA) in 2008 increased to US$121.5 billion, the highest ever recorded. That is equivalent to 0.30% of developed countries total national income. But aid to developing countries as a whole and to the poorest countries in Africa has fallen short of the 2010 targets set by donors in the lead-up to the Gleneagles G8 Summit, where they promised US$50 billion in new aid by 2010 with half going to Sub-Saharan Africa.

The proportion of imports to developed countries from developing countries that are admitted duty free has increased significantly. The proportion of all developing countries’ exports receiving true preferential duty free treatment has been about 20% for the past ten years. The proportion of Least Developed Countries’ exports receiving such treatment increased from 35% in the late 1990s to more than 50% in 2007.\(^{72}\)

By March 31, 2009, 35 of 41 eligible countries had qualified for debt relief; 24 had reached their completion point, meaning that debt relief had become irrevocable.

Export revenues of developing economies have nearly doubled since 2003, providing more funds to pay external debts. On average, the burden of servicing debts fell from 13% of export earnings in 2000 to 4% in 2007. However, this situation has begun to deteriorate, as developing regions are beginning to experience a reduction in their exports due to the current economic crisis in high-income economies.\(^{73}\)

**Canada’s contribution to date**

As shown in the chart on page 7 of this report, Canada’s ODA contribution reached 0.33% of GNI in 2008/09, an amount of $5.1 billion (Canadian). This compares very poorly with other donor countries, ranking 14th out of 23 and less than half way to the UN 0.7% aid target.

Canada was a leader in implementing debt cancellation and has cancelled bilateral debts of the poorest countries. Not having to service these debts means that these poorest countries have the equivalent in funds available to focus on poverty reduction and development. Canada also supported and provides its fair share for the 2005 Gleneagles commitment for multilateral debt cancellation.

Canada offers nearly 100% duty-free and quota-free access for all goods, except dairy, poultry and eggs, to all least developed countries. However, Canada is not making progress in making trade work for Africa. Canada’s aid for trade contribution in 2007 was approximately $196 million, accounting for only 3% of the G8’s total aid for trade volumes. The total need for aid for trade in


Africa alone is estimated to be $12 - $14 billion per year. In 2007, Canada spent approximately $7.2 billion on subsidies to support its own farmers.\textsuperscript{74}

**What still needs to happen overall**

Honouring commitments to increase aid is especially important during a time of economic crisis. As the economic crisis is hurting developing countries particularly hard, developed countries must not use the crisis as an excuse to not meet their aid obligations. A detailed plan outlining how the donor governments will achieve the promised 0.7% target must be developed.

**Sustainable financing resources for development should include:**

1. A Global Financial Transaction Tax, a very small tax of 0.05% on all financial market transactions which could raise hundreds of billions of dollars to help low income countries achieve the MDGs and deal with the impacts of climate change.

2. A commitment that puts an end to secrecy in tax havens through a non-negotiable multilateral agreement on an automatic exchange of full tax information programme. The poorest countries lack the resources to negotiate bilateral information to obtain the information that they need.

3. Fighting fiscal evasion to increase the resources of developing countries, obliging multinational companies to be accountable for their investments and the taxes they should pay in each country where they are located.

The 2005 Paris Declaration and the 2008 Accra Agenda for Action set out principles and practices to ensure effective aid delivery, based on strategies and priorities established by developing countries. Effective implementation of these agreements is still needed to ensure their potential for enhancing effective aid delivery is achieved.

**Canada’s part**

Canada should develop a detailed plan outlining how it will achieve the promised 0.7% target within ten years.

As host of the G20 Summit, Canada should facilitate consideration of alternative financing mechanisms such as the Financial Transaction Tax and press for actions on regulating tax havens and stopping tax evasion by multinational corporations.

\textsuperscript{74} “The Data Report 2009: Monitoring the G8 Promise to Africa,” 2009.
Moving Forward

What still needs to happen overall

Over a hundred global civil society organizations signed on to the following recommendations for actions the United Nations and world leaders should take at the UN MDG Summit to achieve the MDGs: A gender and social exclusion audit must be carried out to measure to what extent achievements under the MDG Process have reached marginalized and excluded communities – in particular women and girls, migrant workers, people with disabilities and ethnic minorities.

- A robust, credible, transparent, effective and inclusive monitoring and accountability framework at global and national level must be a key part of the MDG Breakthrough Plan to be agreed at the UN MDG Summit.
- Concrete measures to address corruption must be included in the MDG Breakthrough Plan.
- Binding timetables towards the attainment of ODA targets, including the 0.7 per cent committed by many OECD countries must be put in place.
- New forms for financing development – such as a Financial Transaction Tax - are also required given the emergency proportions of the interlinked global crises and the need to accelerate achievement of the MDGs.
- The MDG Breakthrough Plan must focus on an integrated approach – increased investment in the most off track targets alongside a focus on the interdependence of human rights, gender equality, environmental sustainability and peace and security.
- Urgent steps to achieve MDG8 must be included in the MDG Breakthrough Plan, in particular through a focus on the rights of countries to only enter trade deals which support the needs and interests of their own people as well as for Fair and Transparent Debt workout mechanisms.
- Fully funded national plans to achieve universal health, education throughout life, water and sanitation amongst others must be a core part of the MDG breakthrough plan.
- Achieving productive employment must be at the heart of the MDG Breakthrough Plan.
- Funds for climate change mitigation and adaptation must be additional to development funds/ODA and must go beyond the $100 billion agreed by leaders in Copenhagen.
- The MDG Breakthrough Plan must recognise the centrality of emissions reduction to combat climate change and its affect on vulnerable populations, and acknowledge that the most appropriate goal for this is a commitment by world leaders to limit global average temperature rise to 1.5 degrees.75

Canada’s part

A majority of the low income countries of Africa and Asia are making serious efforts to achieve the Millennium Development Goals and have made poverty reduction a top priority. Although uneven, modest progress was underway until 2008 when the global food price crisis, the impacts of climate change and the global financial and economic crisis undermined their efforts. Rich countries,

including Canada, have not kept their part of the bargain to increase aid and reform trade rules. G8 countries are now $18 billion behind in aid commitments.

The current financial and economic crisis threatens to not only limit future progress on achieving the MDGs, but is already reversing some of the progress that has been made.

Even though developing countries did not cause the current economic crisis, it is severely impacting some of them as the markets for their exports have weakened, remittances from citizens living abroad have decreased and investment has slowed. It is more important than ever for donor countries to keep their promises to increase aid. At the meeting of G-20 leaders in April 2009, it was agreed that aid should not be cut back during this economic crisis.76

In that context, we urge Canada to assume a leadership role in 2010 to help get the MDGs back on track to achieve the targets by 2015.

First, Canada can lead by example through delivering on its own promises to increase and deliver ODA effectively. It must not freeze aid spending at 2010 levels, but adopt a 10 year plan to achieve the 0.7% aid target that it has promised.

Second, Canada needs to fully implement the Official Development Assistance Accountability Act passed unanimously by Parliament in May 2008. Canadian aid would then be driven by poverty reduction rather than trade, investment and security concerns.

Third, Canada has an opportunity to play a key leadership role by working in partnership with other countries to ensure effective aid delivery through the implementation of the Paris Declaration and the Accra Agenda for Action.

Fourth, Canada should initiate a breakthrough initiative at the G8 on Maternal, Newborn and Child Health that would help mobilize the $30 billion needed over 5 years to get back on track to achieving MDGs 4 and 5, which are the furthest behind.

Fifth, Canada should advocate for and ensure that the G20 Summit seriously considers proposals for a Financial Transaction Tax (or Robin Hood Tax) and insist that at least 50% of revenues generated from this or other similar taxes go to MDG related development and climate change adaptation and mitigation.

Sixth, Canada should do its part to stop climate change from undermining poverty reduction efforts by reducing its greenhouse gas emissions in line with the ranges identified by the Intergovernmental Panel on Climate Change (IPCC): 25-40% below 1990 levels in 2020 and 80-95% below 1990 levels in 2050.

Finally, Canada should go to the UN High Level MDG Summit in September of 2010 with the determination to do whatever is necessary to get the MDGs back on track.

References and Additional Resources


